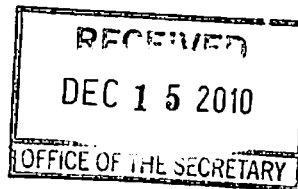


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Edward Jones



December 14, 2010

Ms. Elizabeth M. Murphy  
Secretary  
United States Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549-1090  
Re: Comment letter on Release 34-63095; File Number SR-MSRB-2010-10

Dear Secretary Murphy:

On November 9, 2010 Edward Jones (the "Firm") submitted comments to the Securities and Exchange Commission in regard to SEC Release No. 34-63095 relating to the Municipal Securities Rulemaking Board's ("MSRB" or "Board") Proposed Amendments to MSRB Rule A-13, on Underwriting and Transaction Assessments for Brokers, Dealers and Municipal Securities Dealers (the "Proposal"). On November 19, 2010 the MSRB filed their response letter with the SEC in response to the Firm's comments as well as comments of other parties. While we appreciate the additional perspective the MSRB has provided, the Firm believes the proposed \$1.00 technology fee per transaction still places a disproportionate amount of the regulatory cost on broker-dealers who serve retail investors. We respectfully request the SEC obtain from the MSRB a detailed financial analysis for current system upgrades and future technology projects which explains the intended use of the proposed technology fees. We also reiterate the need for the MSRB to implement a more equitable fee structure.

**Cost of the Technology Fee**

*In their November 19 letter, the MSRB noted that, "(w)hile the proposed technology fee would, as a percentage of the entire transaction, be larger for retail-size transactions, the MSRB observes that the large percentage increases for small transactions noted by some commenter's, if assumed to be accurate, fail to take into account that, under the current formula based solely on trade size, the actual amount of the assessment is extremely small and will continue to be small and likely would have only a negligible effect on overall transaction costs for retail investors even after such increases."*

The Firm believes that the MSRB should re-evaluate their assessment of the financial impact of the technology fee on retail firms, like Edward Jones, and retail clients. The Firm estimates that its payment to the MSRB for the technology fee would be approximately \$700,000 per year. The Firm does not consider this annualized cost as "extremely small".

**Allocation of the Technology Fee**

The MSRB also commented in their November 19 letter that, *"... every transaction, regardless of size, draws equally on MSRB information systems and, therefore, it is appropriate that at least a portion of the MSRB's revenues reflect this universal usage of such resources.*

The MSRB acknowledges that "the technology renewal fund is intended to fund replacement of aging and outdated technology systems and to fund other new technology initiatives". However, reported transactions constitute only a portion of the information that MSRB systems provide to municipal professionals. Therefore, retail broker-dealers who report thousands of trades each month will be the primary funding source in supporting the technology efforts for which all market participants benefit equally. The information made available by the MSRB system is not solely used by retail investors as it is actively used by institutional accounts and institutional broker-dealers for market surveillance and other purposes.

Edward Jones believes that the MSRB's stated goal to fairly distribute the financial burden of regulation to all broker-dealers who participate in the municipal bond market is best achieved through a variable fee structure that does not disproportionately burden broker-dealers who serve retail investors. Edward Jones appreciates the opportunity to comment on MSRB rule proposals and is happy to share additional information on this proposal. Please contact me if you have questions or need additional information related to the firm's comments.

Sincerely,



Jesse Hill

Regulatory Relations